

BUDGET LETTER

		NUMBER: 05-27
SUBJECT: ATTORNEY GENERAL'S LEGAL SERVICES RATE INCREASES FOR CLIENT DEPARTMENTS		DATE ISSUED: September 23, 2005
REFERENCES:		SUPERSEDES: BL 01-42

TO: Agency Secretaries
Department Directors
Departmental Budget Officers
Departmental Accounting Officers
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

This Budget Letter (BL) addresses 2006-07 increased legal services rates for services provided to state departments and agencies by the Department of Justice (DOJ).

Government Code 11044 authorizes the Attorney General to charge an amount sufficient to recover the costs incurred in providing legal services to state departments and agencies. The current hourly rates, as identified in the 2006-07 Price Letter (Budget Letter 05-22), are \$146 for attorney services and \$92 for paralegal services. Effective July 1, 2006, the Attorney General is increasing the rate to \$158 per hour for attorney services and \$101 per hour for paralegal services. State departments receiving services from the DOJ are subject to these rates.

In order to provide departments with additional expenditure authority for 2006-07, departments must first estimate the level of billable hours that are funded from special funds, non-governmental cost funds, federal funds, or reimbursements. Attachment I is a worksheet provided for departments to calculate the total costs associated with the legal services rate increases. Departments requiring an increase in expenditure authority for special funds, non-governmental cost funds, federal funds, or reimbursements must complete Attachment I, submit it to their respective Department of Finance (Finance) Budget Analyst for approval, and reflect the approved adjustment in all budget documents developed in preparation of the 2006-07 Governor's Budget. The approved adjustment will be reflected as a baseline adjustment on Line 0700 in the Planning Estimates for 2006-07 only.

Departments are required to return the completed worksheet to their respective Finance Budget Analyst as soon as possible, but no later than Friday, October 7, 2005.

Any questions regarding this BL should be directed to either your Finance Budget Analyst or Jaci-Marie Thomson, Principal Program Budget Analyst, at (916) 445-8913.

/s/ Veronica Chung-Ng

Veronica Chung-Ng
Program Budget Manager

Attachment